SEC IG David Kotz April 25th Letter to Ranking Member Issa

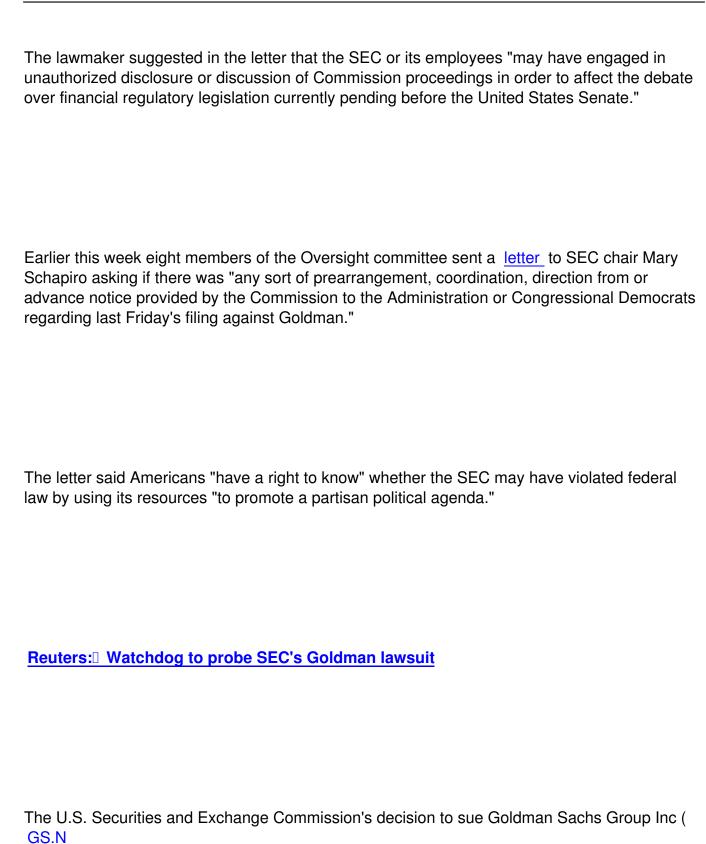
"At your request, we have opened an investigation into the serious allegations that you describe in your letter." We will seek review of documentary evidence, including e-mails between and among the individuals who may have participated in or been aware of the timing of the SEC action brought against Goldman. We will also seek to conduct interviews of all persons with potential knowledge of the facts and circumstances regarding this matter, including those outside of the SEC. While our jurisdiction to compel testimony only extends to current SEC employees and contractors, we hope to obtain cooperation from those outside of the SEC, including the individuals and offices that you reference in your April 20, 2010 letter to Chairman Schapiro, as necessary."



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on Friday on Fox News.



) will be reviewed by the agency's internal watchdog. "We need to understand what led to the decision to announce or bring the case on (April 16,)" SEC Inspector General David Kotz said

Some Republican lawmakers have implied political motives were behind the SEC's decision and timing of the fraud suit against Goldman. Earlier on Friday, Representative Darrell Issa, a California Republican, sent Kotz a letter asking him to probe the SEC's Goldman case. Issa said the circumstances of the filing have fueled suspicion that the SEC or its employees may have "engaged in unauthorized disclosure" of the Goldman suit in order to influence the debate over financial regulatory legislation.

Fox News: SEC's Inspector General to Investigate Timing of Suit Against Goldman Sachs

The SEC's Inspector General David Kotz will initiate an investigation examining the SEC's decision to move forward with action against <u>Goldman Sachs</u>, according to a letter he sent to Rep. Darrell Issa, R-Calif.

Issa and eight other Republicans penned a letter last week to Kotz asking whether politics have "unduly influenced" the decision to file the complaint, which comes as Senate Democrats push this week for a vote on a major overhaul of financial regulations. Kotz confirms the investigation is a direct result of Issa's request.

"At your request, we have opened an investigation into the serious allegations that you describe in your letter. We will seek review of documentary evidence, including e-mails between and among the individuals who may have participated in or been aware of the timing of the SEC action brought against Goldman," sayd Kotz in his response.

The Hill: SEC IG opens investigation into timing of Goldman charges

Securities and Exchange Commission's (SEC) investigative office said Sunday it had begun an investigation into whether charges against Goldman Sachs were politically timed. SEC Inspector General H. David Kotz wrote Rep. Darrell Issa (R-Calif.) on Sunday to notify the lawmaker that he had opened an investigation at the congressman's request into whether the commission's civil charges against the Wall Street giant were coordinated in order to boost the
"At your request, we have opened an investigation into the serious allegations that you describe in your letter," Kotz wrote to Issa, the top GOP member of the House Oversight and Government Reform Committee.
Kotz said he would seek any documents relevant to the investigation, and would conduction interviews "of all persons with potential knowledge of the facts and circumstances regarding this matter, including those outside of the SEC."
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